

# CCH FY 2020 Budget Framework



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COOK COUNTY  
**HEALTH**

# FY 2020 Budget Drivers

- Achieving alignment with CCH Strategic plan Impact 2020 and 2023
- Improving CCH as a Provider of choice for high quality and safe care
- Sustaining FY2019 Revenue by growing above inflation
- Sustaining CountyCare membership and market share
- Achieving internal cost efficiencies and improvements
  - Supply Chain initiatives
  - Revenue Cycle improvements

# FY 2020 Projected Volume

	Monthly Average			Monthly Projection	Difference
Service Type	FY 2017	FY 2018	FY 2019*	FY 2020	FY20 v. FY19
<b>Surgical Cases</b>	1,233	1,245	1,215	1,320	9%
<b>Emergency Visits</b>	12,074	12,037	12,363	13,105	6%
<b>Primary Care Visits</b>	18,482	18,144	19,531	20,508	5%
<b>Specialty Care Visits</b>	20,143	21,325	28,277	29,691	5%
<b>Deliveries</b>	98	81	84	90	7%

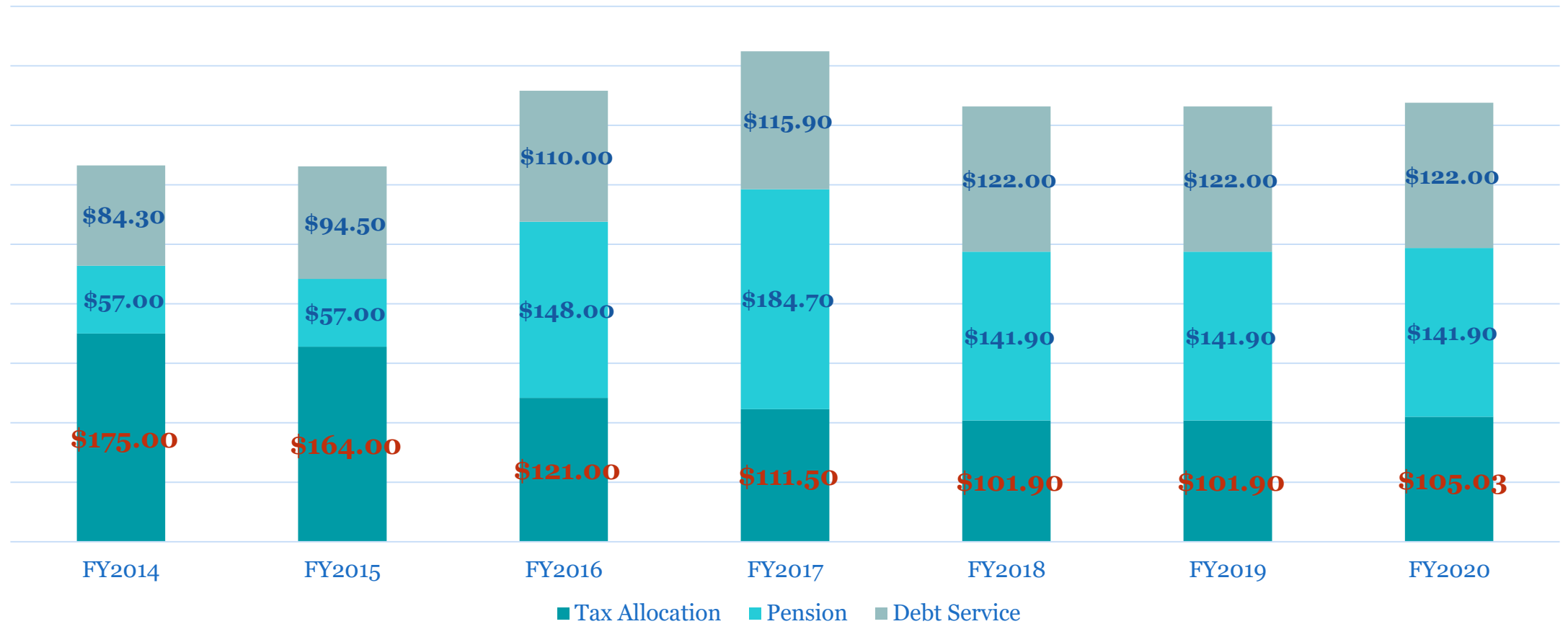
*\*based on first 6 months of FY 2019*

# FY 2020 Revenue Drivers

## Revenue Drivers

- A 2% increase in CountyCare membership from FY19
- Increase Surgical capacity at Provident and Stroger
- Improve Provident capacity with Emergency Department growth and ICU
- Grow outpatient services by maximizing Specialty care at new health centers
- Achieve Internal efficiencies and improvements
  - Supply Chain initiatives to offset inflationary pressure – 5% cost savings
  - Revenue Cycle and reimbursement improvements, improved collections, denials management, charge master and billing opportunity improvements – 5% growth
  - Contracted Services savings of 5%

# County Health Fund Allocation (in millions)



# FY 2020 Expenditure Drivers

## Expense Drivers

- Rising expenses in pharmacy (specialty drugs) and medical-surgical supplies
- Information Technology Costs for upgrades and Cerner Patient Accounting implementation
- Salary and benefits increase with current labor agreements
- Projected increase in uninsured care based on trends

## Other Expense Drivers with positive impact on revenue

- Increase in CountyCare membership
- Expanded surgery, dialysis and health center capacity
- New centers at North Riverside and Blue Island
- Capital investments to improve surgical capacity

# Critical Success Factors

- High quality care and patient satisfaction
- CountyCare members' use of CCH services
- Successful implementation of new Cerner Patient Accounting system and revenue cycle improvements
- Continued investments in capital /medical equipment to exceed depreciation
- Partnerships with labor, working on cost efficiencies, process and patient-centered improvements
- Improved State / County Medicaid MCO enrollment and reductions in CCH uncompensated care burden
- Managing Federal healthcare landscape and advocacy – 340B, ACA etc.



# FY2019/2020 Budget (in Millions)

	FY2019 Adjusted Appropriation*	FY2019 Projected Year End	FY2020 Preliminary Proposed
<b>Revenues</b>	\$2,690	\$2,494	2,548
<b>Expenses</b>	\$2,690	\$2,598	2,548
<b>Net Surplus/(Deficit)</b>	\$0	\$( \$103)	\$0

*\*Assumes projected adjustments for CountyCare based on higher than expected membership*





# FY 2020 Budget Calendar

- June 20, 2019 President's FY2019/2020 Preliminary Budget Forecast Released
  - July 09, 2019 President's Preliminary Forecast Public Hearing
  - July 17, 2019 Cook County Finance Committee Meeting – Mid-Year Budget Hearings
  - July 19, 2019 CCH Finance Committee Meeting – Budget Framework Introduced
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- July 26, 2019 CCH Full Board Meeting – Budget Framework Introduced
  - August 23, 2019 CCH Finance Committee Meeting – FY2020 Proposed Preliminary Budget Introduced
  - August, 2019 CCH Budget Public Hearings
  - August 30, 2019 CCH Board Meeting – FY2020 Budget Request for Approval
  - September 5, 2019 Cook County Board Meeting – CCH FY2020 Proposed Preliminary Budget Introduced & Approved\* (*for inclusion in Executive Budget Recommendation*)
  - October, 2019 President's FY2020 Executive Budget Recommendation Introduced
  - October–November, 2019 Cook County Public Hearings, Agency & Department Budget Review Meetings  
Proposed Amendments, Annual Appropriation Bill Adopted



# Questions?



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